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STATE FOR ISN/CB, VCI/CCB, L/ACV, IO/S SECDEF FOR OSD/ISP JOINT STAFF FOR DD PMA-A FOR WTC COMMERCE FOR BIS (GOLDMAN) NSC FOR LEDDY WINPAC FOR WALTER

E.O. 12958: N/A
TAGS: PARM PREL CWC
SUBJECT: CHEMICAL WEAPONS CONVENTION (CWC): WRAP-UP FOR THE
WEEK ENDING SEPTEMBER 7, 2007

This is CWC--75-07.

PLANNING FOR AMMAN WORKSHOP

1.(U) Del rep met with UK and Japanese representatives to discuss and clarify points on TS efforts to plan a follow up to the December 2006 Amman workshop to finalize the Iraqi initial declaration. Del rep offered Washington,s proposals of the weeks of 28 October or 11 November to the UK and Japanese delegations and will provide any response to Washington. Del has also shared email confirmation of the Iraqi Parliament,s third reading of the CWC with the UK delegation. Del will follow up with the TS to find out whether TS officials would also be able to support one or both of the weeks in question.

2008 BUDGET CONSULTATIONS) INSPECTORATE

- 2.(U) On September 5, Donggy Lee (Korea) chaired the second consultation on the DG,s Draft Program and Budget for 2008. The topic for the discussion was Programme 2 (Inspections). Ichiro Akiyama (Director, Inspectorate) gave a brief summary of this Programme, noting the small 2.2 percent increase in this budget area and highlighting efficiencies that have been strengthened (e.g., sequential inspections, use of SSA contracts for additional inspectors, reduction in team sizes).
- 3.(U) Russia pointed out that, even though overall destruction activities in their country have increased, the increase was less than the TS assumed in the budget proposal (i.e., two new destruction facilities, rather than three). This spurred lengthy discussion about &decreases8 in destruction activities in Russia and the U.S. and the ramifications for possible increases in other types of inspections (i.e., Article VI) and activities in other budget areas. The TS committed to evaluate how the changes in planning for Russian and U.S. destruction activities would reduce the overall &ceiling8 on inspector days and total income and how this might affect other verification activities.

- 4.(U) Many delegations spoke in support of the zero nominal growth (ZNG) submission from the DG. However, several delegations were disappointed that there was no further increase in Article VI inspections, particularly OCPFs (e.g., Austria, France, Canada, Belgium, UK, U.S., and Switzerland). Canada was particularly strong in stating that to stop the year-to-year increase in inspections sends the wrong signal and, although the &hierarchy of risk8 is important, it is adequately reflected in the DG,s proposal, a point that Switzerland picked up on by stating the expected time between inspections for the categories of sites (2.5 years for Schedule 1, 3.8 years for Schedule 2, 14.8 years for Schedule 3, and 41.9 years for OCPFs). Many delegations also spoke of the importance of inspector training, as well as the long-term solution for inspector staffing (i.e., SSAs v. increased hiring).
- 5.(U) Japan asked about the budget for Schedule 2 inspections with sampling and analysis (S&A), particularly how many such inspections had been conducted to date, how many were left, and how that affects 2008 plans. Bill Kane (Head, IVB) said that the TS had conducted eight such inspections to date (two in 2006 and six so far in 2007), that they plan three more (total of nine) for 2007, and that they plan two more in 2008, for a grand total of thirteen. He pointed out that the DG, based on progress to date, has asked the staff to plan for 8 to 10 such inspections per year after the 18-month trial period is completed early in 2008.
- 6.(U) South Africa, along with China, Cuba, Iran, Pakistan, Mexico, and India challenged the assumption that increased numbers of OCPF inspections results in added confidence and proposed a discussion on the fundamental principles and goals of OCPF inspections. Iran made vague arguments about the

caveat placed on the 2007 budget agreement (i.e., discussions on &hierarchy of risk8, etc.), whether that has been sufficiently dealt with, whether we should be looking at returning to the 2006 inspection numbers for OCPF sites rather than an increase, etc. China and Mexico pointed to destruction as the clearest path to confidence. Mexico also reminded delegations that, despite the apparent infrequency of OCPF inspections, they have an OCPF site that has been inspected twice since EIF of the Convention.

SCHEDULE 2 INSPECTIONS WITH SAMPLING AND ANALYSIS

7.(U) Japanese delegate (Kiwako Tanaka) reported briefly to Del rep that Japan had hosted the TS,s eighth Schedule 2 inspection including sampling and analysis last week. She reported that the inspection went forward without any difficulties and agreed to report in more detail at a later time.

OCPF SITE SELECTION

8.(U) Del rep cornered delegation representatives from Cuba, Mexico, and South Africa after the September 5 budget consultation to assess their reasoning behind asking that an item (OCPF site selection) be added to the agenda for EC-50, reminding them what they had to lose if there was any delay in the implementation of the DG,s revised inspection selection methodology. They confirmed that the item was requested on behalf of the Chinese delegation. These three countries said they were satisfied with the DG,s proposal and its implications for them and other countries with smaller industries and would like to see it implemented as soon as possible. They said their hope is to allow the DG to present briefly the process leading up to his proposal and to allow delegations to speak up in favor of returning to discussions on the &missing elements8 (e.g., SP nominations) at some point in the future) nothing else. Given that we seem to have a common goal here in supporting

the DG,s proposal, Del rep requested that these delegations let us know of any plans for keeping the EC discussion from going in the wrong direction and how we could help.

&RISK8 AND FREQUENCY OF INSPECTIONS

9.(U) On August 30, Del rep met, at TS request, with Bill Kane (Head, IVB) and a member of his staff. Kane wanted to hear early thoughts from the Del on the May 25 and May 28 TS documents on the subject. DelRep reported that our quick review of the Schedule 2 document showed that a small number of &low risk8 sites and one &high risk8 site in the U.S. would move to the &medium risk8 category, meaning a very minimal impact on U.S. industry inspection burden. However, DelRep also indicated that these documents were not likely to sway many of the delegations that have been the most vocal about the &hierarchy of risk8 and the distribution of industry inspections, which Kane acknowledged. The discussion also included the fact that several delegations (e.g., Canada) had not received the documents in question from the TS, despite the fact that Amb. Dastis (Spain) had clearly asked the TS to distribute them, and how this might impact future consultations. (The next such consultation is September 13.)

INDUSTRY CLUSTER) LATE DECLARATIONS

10.(U) On September 4, DelRep (Larry Denyer) chaired a consultation on the topic of &late declarations.8 He made clear that this new draft decision was meant as a significant compromise, with the goal of a decision at the September EC and that work would continue until that goal was reached. Overall, delegations were much more positive about this most

recent draft decision text than previous drafts. Several delegations, including France and Japan, expressed their preference for &nil declarations8 but also expressed their willingness to move forward with the current proposed decision text.

- 11.(U) There was quite a bit of discussion about concerns from Iran, Turkey, and Mexico about the legality of imposing &new8 deadlines on the submission of initial declarations and that this could be perceived as an official granting of additional time to meet a past obligation. Russia made an interesting intervention about the level of scrutiny given to possessor States meeting their obligations, the extensive consideration given to Albania,s situation when they missed a destruction deadline, the fact that SPs who do not submit their declarations on time are in violation of the Convention, and that there is already a vehicle for dealing with this in Article XII.
- 12.(U) There was also an &Article VII-like8 discussion about how SPs should be identified and approached with offers of assistance. There was also concern expressed about any reference to Article VII in this decision, clearly indicating a lack of understanding about the provisions of the CWC that address implementing new decisions by the EC and CSP.
- 13.(U) Many textual suggestions were made during the meeting. The facilitator solicited the help of delegations in preparing a new draft, to which Mexico and Canada responded. A new draft has now been prepared and distributed for an additional consultation on the morning of September 11.

INDUSTRY CLUSTER) TRANSFER DISCREPANCIES

14.(U) On September 4, Merel Jonker (Netherlands) chaired a consultation on the topic of &transfer discrepancies.8 Although it was made clear that the &definition8 of the terms import and export in the draft decision is meant to

serve solely as a guideline for how SPs handle declaration data, there is still significant confusion and concern about how this might impact corresponding definitions in other conventions, especially those dealing with customs. The co-facilitators listened to the comments, including drafting suggestions, and committed to looking into the matter further.

15.(U) The consultation reflected no urgency to get a decision completed before the upcoming EC, so the next consultation will be during the regularly scheduled Industry Cluster consultations in October. Jonker announced that she will be leaving her post at the end of the month and would leave the facilitation to her Japanese counterpart (Kiwako Tanaka) to fly solo, unless someone is interested in stepping forward to be a co-facilitator.

ARTICLE X

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16.(U) Del rep met informally with Jitka Brodska (Czech Replublic), and Emma Gordon (U.K.) this week to discuss upcoming plans. The Protection Network meeting, originally scheduled for October has been postponed. The Czech Republic is now considering a proposal that the meeting be held in Prague sometime in spring of next year. Brodska said they have agreed in principle and Gordon felt that the U.K. would support the idea. The Industry Protection Forum is scheduled for Nov 1-2. Krisztof Paturej (Director Special Projects) has requested changes to the original proposed program.

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17.(U) Mary Rios (IO/MPR) attended the session of the Advisory Body on Administrative and Financial Matters (ABAF). In her debriefing to the Del, Rios noted that the ABAF worked successfully with the TS to address a number of

technical questions on the budget.

AMCIT APPLICANTS

18.(U) The Ambassador discussed hiring Amcits for positions at the OPCW with Ali Asghar (Head Human Resources), specifically encouraging the OPCW to be more pro-actively engaged with prospective candidates in order not to lose them to other employers.

19.(U) Ron Nelson (Director Administration) provided del with copies of the applications of all Amcit candidates for the currently open Head of Public Relations position and promised to shortlist more Amcits based on Del recommendations.

Host Country Committee Meeting

20.(U) The Host Country Committee (HCC) met on September 6 to discuss the draft document presented by the Ministry of Foreign Affairs regarding the Tax and Duty Free shop on the premises of the OPCW and outlining procedures and quotas for purchases. The response from the delegations at the meeting was uniformly negative. The Ambassador stated strongly that there was no reason to agree on anything that circumscribed rights already defined by prior agreements and treaties. He objected to the Ministry discussing the agreement only with the TS and presenting it as a fait accompli to delegations. Russia agreed and objected to the arbitrary imposition of any quota. The Iranian Ambassador expressed resentment at the implication that diplomats might abuse the system. Committee members are now privately conferring on how to follow up to prepare for a meeting with the Ministry of Finance.

Gallagher